

JOINT FORCES HEADQUARTERS INDIANA
MILPER MESSAGE 506-00
31 MAR 2011

This message supersedes MILPER Message 506-00 dated 28 MAY 2008 and Chapter 5, Procedure 6, MDI Pam 600-8 dated 1 April 1994. This message is permanent and will remain in effect until superseded or rescinded by the Director, Army Personnel. File this message in MILPER Message File in numerical sequence. Proponent for this message is NGIN-PED-EDU.

STUDENT LOAN REPAYMENT PROGRAM (SLRP)

1. References. NGR 600-7, dated 26 March 1999, Selected Reserve Incentive Programs, & Policy 11-0009, dated 1 August 2011.

2. Effective 1 March 2011, all qualified applicants who are enlisting, reenlisting, or extending for initial Loan Repayment Program (LRP) eligibility are required to have the following two printouts from the Department of Education's National Student Loan Data System (NSLDS) website scanned together with their LRP addendum and uploaded into Information, Management and Reporting Center (iMARC), no later than the effective date of their service agreement. The NSLDS report may be obtained at www.nsls.edu. Education Services Office (ESO) will review the NSLDS report prior to approving a LRP Control Number. For the LRP Addendum to be valid, a LRP Control Number must be APPROVED the same day, but prior to the completion of the LRP Addendum (NGB Form 600-7-5-R-E dated 2 NOV 2010).

3. Payment Actions.

a. A Soldier that has contracted for LRP is not eligible for the first payment until the Soldier has satisfactorily completed one year of service (or 1 year of the extension contract) and is MOSQ.

b. Payments are computed by the State LRP Manager and the Education Services Office. Payment will be 15% of the original loan amount or \$500, whichever is greater. Principal payments will not exceed \$7,500 cap per year (15% of the \$50,000 maximum loan amount eligible for repayment). The LRP policy which is in effect on the date of enlistment or extension determines LRP eligibility amounts which vary (\$10,000; \$20,000; \$50,000).

c. Per current Policy, loans acquired during the contract period may be added only after the beginning of the fifth year. After the beginning of the fifth year the program requires a new six year contract to be signed. The SLRP policy which was in effect on the date of enlistment or extension determines eligibility of add-in loans.

d. Established loans that were included in the LRP Addendum must be one year old or older on that year's anniversary date and can only be processed on or after the established one year anniversary date based on the LRP Agreement.

e. The Soldier will start the DD Form 2475 process with in ninety days prior to the next anniversary date. The Soldier must complete Section 2 (SERVICEMEMBER DATA) and Section 3 (LOAN DATA) blocks a, e, f, and g. Separate DD Form 2475's must be submitted for each loan(s) established at

different lenders. Data completed on the DD Form 2475, more than ninety days prior to the Soldier's anniversary date is not valid.

f. The Unit or Battalion Career Counselor (BCC) must complete Section 1 (PERSONNEL OFFICE VERIFICATION), and then the Soldier will forward the DD Form 2475's to the lending institution(s) address listed on the NSLDS Individual Loan Pages along with the commander's cover letter (Figure 506-1).

g. The lending institution will complete Section 4 (LENDER VERIFICATION). In Section 5 (REMARKS), notify the lender (hand written) that the forms must be returned to the Soldiers mailing address which should also be listed. This will ensure the Soldier and Unit is tracking the DD Form 2475 return date and can better estimate payment timeframes. The BCC will upload the completed DD Form 2475(s) into iMARC and notify the LRP Manager via email.

h. For initial anniversary payments ONLY (end of first year), all Promissory Notes, Disbursement Sheets, SLRP Addendum, and all enlistment documents must be turned into the BCC, and uploaded into iMARC. For ALL anniversary payments current DD Form 2475's and a current NSLDS report must be turned into the BCC, and uploaded into iMARC.

i. The LRP Manager will input information into iMARC from the DD Form 2475 for calculation. Once calculation has been completed and saved, LRP Manager will forward the LRP Transmittal Letter (TL) up-to 30 days prior to the Soldier's anniversary date to the servicing USPFO for payment and procession thru DFAS.

j. USPFO will certify the payment and a check will be issued to the lender.

k. NOTE: Loan repayments are taxable income; however, Federal and State income taxes are not withheld. The amount of the payment is included on a separate W-2 form, which can be located in MYPAY.

5. The SLRP Manager will return non-eligible Soldier payment request to the BCC. The BCC should notify individual of suspension or termination due to ineligibility IAW MILPER MSG 507-00 or MILPER MSG 508-00.

Loan Agency
Anywhere, USA

To whom it may concern:

John Doe, 123-45-6789, is eligible to participate in the Army National Guard's Student Loan Repayment Program, which will repay a portion of any loan made, insured or guaranteed under Parts B or E of the Higher Education Act of 1965 if secured after October 1, 1975. For each year of satisfactory service, the Army National Guard will repay 15% or \$500 (with a predetermined yearly maximum identified in the individual's contract) of the original amount borrowed on the date the Soldier contracted. All payments are made directly to the lending institution.

A Department of Defense (DOD) Loan Repayment Program Application (DD Form 2475) is attached for each loan held by your institution. If there are more loans than the number of forms which are attached, please feel free to copy the form in order to supply us with information on all loans at your institution. Please complete Section 3 and section 4 and return the form to the Soldiers return address listed in the remark section. It is important that Section 4 block K (1), (2), (3), and (4) are all completed and signed by a bank official and copies of the supporting **PROMMISORY NOTE, DISBURSMENT SHEETS** and **NSLDS Full Report** be attached.

We ask that you complete these forms as soon as possible. Payment cannot be made until the State LRP Manager reviews these forms. Please mail them to the Soldiers address listed in section 1. a. If you need assistance completing Section 3 or Section 4 or have any questions concerning our program, please contact the State LRP Manager at 317-964-7019.

Thank you for your cooperation in this matter.

Authorized Representative

Enclosures